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properly in a Select Committee. I therefore move, Sir, that the Bill be referred to the Select Committee the names of which I have already mentioned in connexion with the previous Bill, i.e.—

(1) Rao Bahadur C. Natesa Mudaliyar.
(2) Mr. R. Madanagopal Nayudu.
(3) Mr. T. Sundara Rao Nayudu.
(4) Mr. H. M. Jagannatham.
(5) Mr. C. Basu Dev.
(6) Rao Sahib P. Subrahmanyam Chetti.
(7) The Advocate General.
(8) Mr. D. V. Narasimhaswami.
(9) The hon. Diwan Bahadur Sir M. Krishnan Nayar.
(10) Mr. W. M. Browning.
(11) S. M. K. Beyabani Sahib Bahadur.
(12) Mr. Abdul Hameed Khan.
(13) Mr. Basheer Ahmed Sayeed.
(14) Mr. M. A. Manikkavelu Nayakar.
(15) The hon. Khan Bahadur Sir Mahomed Usman Sahib Bahadur.
(16) Myself."

Mr. Abdul Hameed Khan:—"I second it."

The hon Khan Bahadur Sir Mahomed Usman Sahib Bahadur:—"I have no objection, Sir."

The motion was put and carried and the Bill was referred to the Select Committee, composed as above.

XII.—A BILL TO AMEND THE MADRAS ELEMENTARY EDUCATION ACT, 1920.

* The hon. Diwan Bahadur S. Kumaraswami Reddiyar:—"Mr. President, Sir, I beg to introduce the Bill[a] to amend the Madras Elementary Education Act of 1920 (Bill No. 24 of 1931) and move that the Bill be referred to a Select Committee and the Committee be asked to present their report before the 3rd November 1931, the Committee to be composed of the following members:—

(1) The hon. Diwan Bahadur B. Muniswami Nayudu.
(2) Mr. R. Madanagopal Nayudu.
(3) Mr. R. M. Palat.
(4) Sriman M. G. Patnaik Mahasayo.
(5) Diwan Bahadur C. S. Ratnasabhapati Mudaliyar.
(6) Mr. N. Siva Raj.
(7) Diwan Bahadur S. Ellappa Chettiyar.
(8) Mr. B. P. Sesha Reddi.
(9) Mr. M. A. Muthiah Chettiyar.

[a] Published in the *Fort St. George Gazette* on 20th October 1931.

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(10) Diwan Bahadur R. N. Arogyaswami Mudaliyar.
(11) Mr. Sami Venkatachalam Chetti.
(12) Mr. T. S. Ramaswami Ayyar.
(13) Dr. P. Subbarayan.
(14) Mr. Basheer Ahmed Sayeed.
(15) Mr. F. E. James.
(16) Myself.

"As explained in the Statement of Objects and Reasons, the intention of the Government was to introduce a comprehensive amending Bill in which provision was sought to be made for introducing compulsory elementary education within the province on a much larger scale than has been found possible under the existing Act. But the reasons why it was found impossible to proceed with a Bill of that kind at present have been explained in the Statement of Objects and Reasons. Of course, money has to be found if elementary education is to be expanded. It was provided in the Bill which had been drafted during the time of my hon. Friend, Dr. Subbarayan, that all local authorities should be compelled to levy education cess at a particular rate and, under the Act, the Government would have to pay an amount equivalent to the proceeds of such a tax; but both taxation at this particular time and also the demand for an increased contribution from the Government would be difficult of achievement. (Mr. Sami Venkatachalam Chetti:—'The latter particularly.') It was with great reluctance, Sir, that the introduction of that Bill had to be postponed. But in the meanwhile the amendment of one section in the existing Act had become very necessary.

3-15 p.m. "The position of these private school managers particularly in the City of Madras became very difficult for reasons over which they perhaps had no control. Under the existing Act, in compulsory areas where private schools cannot levy fees they could get compensation from the local authorities which had introduced compulsion. In the City of Madras from the year 1925 compulsion had been gradually introduced in one division after another and, except in the case of Muslim girls, all other children of school-going age have now come under compulsion. Private schools cannot, therefore, levy fees under the present Act and the Corporation has been paying compensation to them at varying rates. The rules framed under the Act by the Government provided that in the City of Madras compensation should be paid by the Corporation at one and one-fifth of the standard rates of fees, while, in the remaining portion of the Presidency, the rate was the standard rate. An increased rate was provided for in the City of Madras alone. But as a matter of fact the private schools claimed that they were levying much higher rates before compulsion was introduced and naturally demanded that they must be paid compensation at the same rates as they were levying before the introduction of compulsion. The Corporation had to solve the difficulty and they were paying four times and even five times the standard rates. The Government, having prescribed the rates at which

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compensation could be paid, could not allow the Corporation or any other authority to debit to the Elementary Education Fund any larger sum than that prescribed; and so the Corporation could pay only a portion of the compensation out of the Elementary Education Fund and the rest had to come out of the general revenues. The present financial position of the Corporation had made it impossible for them to pay any compensation for the private schools either at the standard rates fixed by the Government out of the Elementary Education Fund or out of the general revenues. So, Sir, they have decided by a resolution, whether the Act compelled them to pay compensation or not, that they were not going to pay anything to the private managers. So the position of the managers has become very serious. They could not levy fees because there was a statutory embargo and the Corporation, for some reason or another—it is not necessary to go into the question whether it is sound or not—had definitely declined to pay the compensation. There were only two alternatives; either they should close down their schools altogether or they must be enabled to levy fees. I must say, Sir, in this connexion that mission agencies particularly and several private managers have been largely supplementing the efforts of the Corporation for providing elementary education in the city and many of the schools under private management have been particularly efficient and it will be a great disaster to have these schools closed. I am sure even if they levied fees most of these private schools which were so well managed would still attract a large number of students. Under these conditions, it became necessary for Government to introduce this piece of legislation which would enable private managers to levy fees. But there being compulsion within the City of Madras it was thought also necessary to provide a few free places where necessary for pupils who could not afford to pay. With that end in view, it has also been provided in the Bill that whenever it was thought necessary, that is to say, when there was no school, within one mile of the residence of the pupil it was open to the District Educational Council to insist upon certain number of free places being reserved for such poor pupils. That has also been provided for in the Act; but on no account could any compensation be demanded by these school managers as the Corporation had definitely declined to pay and in the mufassal also the local authorities were doing the same. It is with this view that this amending Bill has been brought as an urgent measure and it is because the position of the school managers has become difficult and they must be told what their position will be in the future that I have said that the Select Committee must meet and send their report before the 3rd November. I thought that it might be possible to take the Bill into consideration at once; but the hon. the Leader of the Opposition had given notice of a motion that it should be referred to a Select Committee. I had a consultation with him and we agreed that perhaps some of the controversies raised could more advantageously be discussed in a Committee than in the open Council. I have accordingly brought forward this motion that this Bill be referred to a Select Committee and in view of the Bill being considered as early as possible I have asked that the

Select Committee should report before the 3rd November. No doubt it will be a great strain on the hon. Members. But for the reasons I have already explained and in view of the great urgency to tell the private managers what their position is going to be, I hope hon. Members who are Members of the Select Committee will agree to work extra time. After all there is only one section of the Bill which raises some controversy and it can easily be finished at a sitting within two or three hours. I hope therefore that it will be able to report on the 3rd November."

The hon. Mr. P. T. RAJAN :—" I beg to second it."

* Mr. SAMI VENKATACHALAM CHETTI :—" It was usual, Sir, in this Council to introduce a Bill and explain to the Council the principle and the policy underlying the Bill and allow discussion upon that and afterwards to move for referring it to a Select Committee together. But of late we have been following the procedure of having both the introduction and referring to a Select Committee. I propose now to speak only with regard to the principle and policy of the Bill just now introduced by the hon. the Minister. I desire to mention, Sir, that this Bill is a result of the agitation started by the managers of aided institutions particularly in the City of Madras. In the Statement of Objects and Reasons my hon. Friend the Minister expressed wordy sympathy with regard to the compulsory education in the Presidency. But there is nothing in this Bill which aims to bring his object into effect. He pleaded the general complaint of lack of funds. But this Bill became an Act in the year 1920 and from 1920 it was the duty of the Government to forecaste to the authorities what the execution of that Act would devolve upon the finances of the Government. Successive Ministers have failed to take cognizance of that necessity and did not make ample provision for the purpose of extending compulsory education. Of course, the hon. Minister now is in a very convenient position of throwing the whole blame on local bodies. He knows more than anybody else the condition of the local bodies and the taxable capacity of the people and still he ignores all that knowledge which he had gained as a non-official and put on the garb of an official and says that the local bodies ought to have undertaken this responsibility and that the failure of compulsory primary education was due to the local authorities. I demur to any such contention. I must say that the Government have not been able to provide larger funds for the purpose of extending compulsory education. So far as the present amendment is concerned, viz., to enable these schools to levy fees, I must say this action is due to the policy of Government in the matter of allowing the Corporation to debit general revenues of the Corporation to the Elementary Education Fund. The Elementary Education Fund consists of the amount which a local authority was spending on primary education previous to the introduction of compulsion, proceeds of the educational cess that the authority may levy and an equal contribution derived from the Government. These three sources of income formed the nucleus of the Elementary Education Fund. The object is to spend those moneys upon elementary education in that locality. And whenever compulsion is introduced by

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the local authority under section 47, no fees shall be charged at any elementary school in any area affected by a notification under section 46, provided that the local authority of such area shall pay compensation for such period and in such manner as may be prescribed for any loss of income, which may be caused by such remission of fees to elementary schools under private management. A reading of this section clearly shows that whatever might be the loss of income which the schools were getting in that particular area ought to be compensated by the local authority from out of the Education Fund which is constituted by the three sources of income which I have mentioned. But in the rule making power the Government had defined what the loss of fee income is by saying that the loss of income is according to standard rates. There is no mention of the standard rates in the Elementary Education Act. But the rules under the Grant-in-aid Code have got certain standard rates for schools maintained by themselves. These standard rates are based upon the consideration that education that is imparted in institutions maintained by public authority should be as free as possible. Naturally therefore the standard rates prescribed under the Grants-in-aid Code were very very low, when the schools were managed by private persons who were allowed to levy fees.

"There is no comparison between the fees charged in private institutions and those charged in public institutions. Therefore, there is no justification for the Government to say that the loss of fee income should be calculated only on the standard rates which are those prescribed by Government for their own institutions, which are only nominal. Naturally, the teacher-managers of aided institutions found that they were put to a great loss by being compensated only to the extent of a portion of the loss of fee income. Therefore it was that they influenced the local authority to pay compensation equal to the actual loss of fee-income. Governments can be irresponsible to public opinion but local authorities cannot afford to do that. They naturally saw the justice of the claim of the aided institutions not only on account of the fact that the actual loss suffered by these institutions were considerably larger than the amount of compensation prescribed under the Government rules, but also on account of the fact that if the local authority failed to give compensation to these institutions the result would be that these private institutions would have to be closed and would necessitate local bodies to open new schools which would certainly cost much more than the compensation they would be liable to pay according to the charges claimed by these private institutions. It was therefore that the Corporation of Madras agreed to pay the full loss of fee-income according to the strength of each institution. The registers were examined, and we found out what was the actual number of pupils reading in each institution, also examined the rates of fees charged by these institutions, calculated this amount and asked the Government to allow the Corporation to pay the compensation out of the Elementary Education Fund which was intended for the purpose of expanding primary education in the city. I cannot really see what objection there could be for the

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Government to permit the Corporation from spending out of the Elementary Education Fund. After all, if these institutions have to be closed, the local authority is bound to open more schools unless it withdraws the notification of compulsion. No doubt, when these teacher-managers were unable to get from the Corporation any fixed payment as compensation, they were obliged to go to the Government and say that the Government, instead of putting them in a state of suspense and uncertainty, might allow them to levy fees. But I do not think they took that argument to the Government very seriously. They only expected the hon. Minister to ask the Corporation to pay this amount from the Elementary Education Fund. However, I cannot conceive that any teacher-manager would think that it would be an easier thing to levy fees and collect money, instead of getting from the Corporation the full compensation in a lump. But the hon. Minister took them very seriously and he is now proposing a measure which would not perhaps be as beneficial as the teacher-managers once represented it to be to him. Now, what is the effect of this amendment ? You allow these private institutions to levy school-fees. There will be the difficulty whether the Madras public which has now become accustomed not to pay any school-fees for their children for the last five or six years would now be willing to pay fees, as long as the Corporation has taken upon itself the responsibility of educating free every youth of school-going age. Naturally, there will be great difficulty unless teacher-managers are able to collect fees from the parents of boys. Granting that it will be possible for some managers to maintain the institutions on school-fees collected by them, I have not the slightest doubt that a large number of private institutions will disappear for the mere reason that they would be unable to collect fees from the public, because they are already accustomed to non-payment of fees. Then, it will only mean that either the Corporation should withdraw the notification of compulsion or must provide education for the boys turned out of the private institutions which are closed. Now, what will be the effect of this charge on the resources of the Corporation? The Elementary Education Fund of the Corporation was at one time rich enough to pay full compensation, but the Government would not allow it to be disbursed from that fund. Therefore the Corporation increased its expenditure on its own schools, and began to spend liberally upon costly buildings, upon costly furniture and also upon the increase of salaries of headmasters and other teachers of their institutions, with the result that all the money available in the Elementary Education Fund is fully appropriated to all that expenditure, leaving no balance whatever even to pay to the teacher-managers. Having left the Corporation at that position, you now expect those private institutions to levy school-fees, thus driving them to the necessity of turning out a number of boys from those schools and also driving the Corporation to the necessity of opening more schools in order to take in those boys. Has the Corporation enough resources to do all that ? It has not. And what is after all the advantage of not permitting the Corporation to pay this compensation from out of the Elementary Education Fund but still throwing the responsibility on the Corporation of

opening new schools and maintaining them ? After all, the contribution of the Government to that fund is only equivalent to the education cess. Only if the Corporation is able to increase the income of the fund by a further increase of the education cess, then the Government will be obliged to pay more money. There is no such fear, because the Corporation will not be in a position to become unpopular by attempting to increase taxation. So, so long as the money that is contributed by the Government is a fixed sum which is equivalent to the education cess, why should it prevent the Corporation from spending out of that fund to pay compensation in the absence of which they will be called upon to maintain more schools ? I really cannot conceive the objection of the Government to that aspect of the question. Sir, the fact that the Corporation sent up a resolution to the Government and also to the teacher-managers of aided institutions that, whether the Act is amended or not, they would not be paying compensation, is due not to the unwillingness of the Corporation to shoulder the responsibility, but because you have put them in a position which would make the Corporation take no other course than the one they adopted in their resolution which was sent up to the Government. If to-day you are prepared to say that the Corporation might spend, so far as compensation is concerned, out of the Elementary Education Fund, I should think the Corporation must be in a position to adjust its finances to enable some private schools, which are necessary, to continue to run, because it would be more economical and much more advantageous to the Corporation to allow these aided institutions to continue than to maintain all the schools themselves.

"In any case, Sir, it seems to me necessary that any amendment that may be made in this Act should take effect from a particular definite period and not immediately after the Bill is passed, for the reason that we are in the middle of a school year. I do not think it will be possible for the managers of aided institutions to levy school-fees even in the middle of a school year. As there is some interval between the passing of this Bill and the actual introduction of the measure, it must be possible for the Government to advise the Corporation to debit the compensation paid to these institutions to the Elementary Education Fund."

* Mr. Abdul Hameed Khan :—" Mr. President, Sir, the measure that has been introduced by the hon. the Minister for Education is a part of the original Bill which the Government ought to have introduced long ago. I will not go into the reasons why the Government did not think it fit to introduce the original Bill as a whole till now. The two questions that are to be considered in this Bill have been referred to by the hon. Member representing the city of Madras, Mr. Sami Venkatachalam Chetti. It seems to me that elementary education, if it is to be introduced and if it is to be expanded in our province, it will not be possible to do so unless the Government takes up a larger control over the management of these schools not only in the matter of supervision but also in maintaining these schools. Many of the members

not only of the Corporation, but I am sure of the other local bodies also have experienced that on account of the demands financial and otherwise of the local bodies, it has not been possible for them to devote their concentrated attention to the expansion of elementary education in their areas. I believe, therefore, that if the Government is serious about expanding elementary education in the province, it will have to take up the entire management in its own hands and deal with the question with a large heart and finance the whole thing itself.

"With regard to the question of compensation, we in the Madras Corporation have found it very difficult to deal with it because the rules are such that when the compensation is to be paid to the teacher-managers of the aided schools we have also to contribute out of the general funds. It is on that account, as has been pointed out by Mr. Sami Venkatachalam Chetti, that the trouble began. If the Government removes that difficulty by enabling the Corporation and also other local bodies wherever compulsion is introduced to pay the full compensation from the Elementary Education Fund, it will be easy for the local bodies to satisfy the teacher-managers. But then the question comes whether if the Government allows teacher-managers to levy fees, either as soon as this Bill is pasesd into an Act or from the beginning of next year, whether it will be possible for the teacher-managers to run their elementary schools in the same area by levying fees where the local body also conducts schools without any fees. The competition will be keen, and it will be impossible for the aided managers to run their schools. The ultimate result will be that a number of pupils for whom provision could be made both by the local body, in this case the Corporation, and the aided managers in their schools will be limited. Most of the aided schools will go out of existence. The result will be that a number of children attending these aided schools will be considerably reduced. The question of introducing compulsion in an area like the city of Madras is a huge task, because the number of children attending schools will be considerably large. If the Corporation has to take upon itself the duty of providing schools for all children of school-going age, I may say that the expenditure will be much larger than it would be if we are allowed to pay the compensation to the teacher-managers and thus enable them to run their schools. Otherwise, a number of children from these aided schools who will be sent out when they are closed will have also to be provided for by the Corporation.

3-45 p.m. "These are certain hardships which have to be prevented by the way in which we are going to work the provisions of this Bill. Either the Government will have to consent to enabling the Corporation to give the entire compensation from the Education Funds, or they must say once for all that the Corporation need not take up the responsibility of introducing compulsion in the city till better times come when the Government will enable the Corporation to take it up. Also Government will have to realize that the people of the city have found the rate of taxes already very heavy. It will be impossible for us to

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increase the cess and collect more money in order to meet the educational expenditure and pay the compensation from the general funds. Therefore, the net result of the passing of the Bill will be the non-existence of a large number of teacher-manager schools, which will ultimately mean the reduction to an absurd position of the question of compulsion in the city. Therefore, the Government will have to give its best attention to this matter, and when the Bill emerges from the Select Committee, I am sure that it will have solved this very intricate problem, keeping in mind the expansion of elementary education in the Province.''

* Mr. A. B. Shetty :—'' Mr. President, Sir, the hon. the Minister as well as the two hon. Members who have spoken on this matter seem to have had only the Madras city in view. (Mr. Abdul Hameed Khan: 'Naturally.')I suppose that in 25 or more municipalities, compulsory education has been introduced, and also in some other areas like the Saidapet taluk. Sir, I sympathize with the circumstances which have compelled the Minister to come forward with a piece of legislation of this sort. One finds some difficulty in giving his approval to the main object of this Bill. This Bill seeks to dispense with the system of compensation and to permit aided schools to levy fees in compulsory areas. I submit it is wrong in principle to levy fees in areas where compulsory education is in force. I do not think that in any country in the world compulsory education has been introduced without its being also at the same time made free. (The hon. Mr. S. Kumaraswami Reddiyar: 'Just the opposite.') Moreover it will mean double taxation on people if they are asked to pay fees where compulsory education is introduced. The local authority will necessarily have to levy an educational cess in compulsory areas and if people are to pay fees for the education of their children, in such areas, it will practically amount to the imposition of a double tax. No doubt a number of free places are proposed to be reserved in schools so as to give exemption for poor children. I do not know on what basis this exemption is proposed to be given. To get even poverty certificates one will have to spend some money. We are not told how many free places will be reserved, and whether the aided schools will be compensated for the loss of fee income which they will suffer in this way. There is no doubt that aided schools will suffer by competition if they are to levy fees, while the local board and municipal schools give education free. There is already a good deal of rivalry and overlapping between the various classes of elementary schools both in urban and rural areas. In many places, schools levying fees under public management have been placed in such a way as to be detrimental to aided education. Surely, the aided schools cannot expect to attract pupils unless they are schools of a very superior sort. I believe it is the policy of the Government to give all the encouragement they can for aided education. Government have more than once declared it to be their policy, that they will make elementary education their first concern and spend for it all the money they can

spare. I am afraid Government will be defeating this purpose if they discourage aided schools and make them suffer in competition with local board and municipal schools.

"I suppose this measure is meant only to be a temporary measure and I trust that the earliest opportunity will be taken to help aided schools also to give free education in compulsory areas."

* Diwan Bahadur C. S. RATNASABHAPATI MUDALIYAR:—"Mr. President, I am one of those who feel that the entire cost of elementary education should be a charge on the revenues of the State; but, Sir, with the Government, as also with the local bodies, the question of finance always stood in the way of introducing compulsion in many municipal areas. Like the hon. Member Mr. Shetty I also feel that whenever compulsory education is introduced in any area, it should always be free and no levying of fees should at any stage be introduced. But in the evolution of the education of our province, I am afraid that until Government come forward to meet the entire cost on account of elementary education from the State funds, or until the local bodies are prepared to tax themselves properly a via media has to be found out. My Friend, Mr. Sami Venkatachalam Chetti, said that they would not permit the Corporation to pay the compensation out of the Elementary Education Fund. At the same time he also admitted that the Elementary Education Fund had got completely exhausted. I will just request the hon. Members to imagine this position. If only the Government had permitted the Corporation to pay the compensation due to private managements out of the Elementary Education Fund, the Elementary Education Fund would have got exhausted not this year but very much earlier and they would have come to a deadlock some two or three years since the introduction of compulsion. So, we cannot blame the Government for their order to the Corporation that it should not draw the compensation payable to the teacher-managers out of the Elementary Education Fund. Mr. Sami Venkatachalam Chetti said that this Bill is the outcome of the agitation on the part of the teacher-managers. I say it is also due to the helplessness on the part of the local bodies in not introducing compulsion. This payment of compensation stands in the way of introduction of compulsion by very many municipalities. But for this, several municipalities would have introduced compulsory education long ago. As I have said before, until the local bodies are prepared to tax themselves more or until Government are prepared to help these local bodies with greater subsidies a via media has to be found out and that is provided for in this Bill. So, Sir, I support the hon. the third Minister's motion that the Bill be referred to a Select Committee."

* Mr. V. M. RAMASWAMI MUDALIYAR:—"Mr. President, Sir, my predecessors, at least many of them, spoke from the point of view of persons who are entrusted with the task of discharging civic duties as members of one municipal council or another. So far as I am concerned, I take my station here to-day as one who claims to be connected with

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private aided institutions educating a large number of boys in the city of Madras. Therefore, Sir, I venture to offer a few remarks on this subject in a somewhat interested fashion. It has been said by the previous speakers that so far as elementary education in this country is concerned, whatever may be the condition in other countries, compulsory elementary education carries with it the fact that it must also be free. I remember, Sir, reading over the discussion of the late Mr. Gokhale when he introduced that Bill several years ago, he said that an element of compulsion made that education to be given free. I also know that in countries like England where compulsory education is insisted upon, it is not free, because compulsory education is given through two agencies, viz., through aided institutions, and also through public institutions. But so far as conditions in this country are concerned, no progress can be made at all in compulsory elementary education unless it is both compulsory and free. And this prophecy or proposition of Mr. Gokhale has been amply borne out by the experiment that has been carried on in compulsory education after the passing of the Compulsory Education Act of 1920. Sir, I am constrained to say that in spite of this Act being on the Statute book, so far as our country is concerned, we find that we have not progressed very far, and even the Government in their Statement of Objects and Reasons of this amending Bill has stated that compulsory education has not made the headway that it was anticipated to make, the reason being that compulsory education has not been made enforceable all over the Presidency, it being left to the local bodies to introduce compulsion in their areas. It seems to me to be a problem of the first magnitude upon the solution of which the whole welfare of the future, not only of this Presidency, but of the whole country depends; and whatever pretence the Government might have had in the past, it has thrown away that cloak of pretence, and in the concluding sentence of the first paragraph in the Statement of Objects and Reasons, the Government has given a frank but a very sudden and disappointing statement that whatever their intentions might have been in the past, and they found fault with the local bodies for not extending the area of compulsion, they now say they are not going even to take that initiative of asking the local bodies to initiate compulsion. This is what they say: 'Unfortunately, since the success of the new proposals depends mainly on the provision of funds through the compulsory levy of the education tax involving large additional expenditure from provincial funds, Government have been compelled to postpone their introduction owing to the present financial stringency.' In other words it is a sorry thing to see that the finances of the province have been reduced to such an extent that even such public utility service as free compulsory elementary education has to be postponed.

"Sir, the hon. Member for the city of Madras who spoke previously on this question said that this Bill is the result of the agitation of teacher-managers. I think he would agree with me that, so far as the teacher-managers are concerned, there are two equally powerful groups among them, for some favour free and compulsory education while 4 p.m.

others favour the system of the levy of school fees. I shall now address myself to the difficulties felt by the private aided institutions, which are not all teacher-manager schools, in regard to this amending Bill. According to the rules framed under the provisions of the old Act, compensation was to be paid on the standard rates to institutions in places where compulsion was introduced and where no school fees could be levied. Now, the question of standard rates has been a sore one, and, so far as I can lay my hands on a definition of what is meant by standard rate, the one that is prescribed in Chapter V of the Madras Educational Rules is this: 'For the first and second standards, the standard rate is one anna, for the third, 2 annas; for the fourth, 4 annas and for the fifth, 4 annas.' Now, Sir, this standard rate, even according to the definition, is the rate levied in schools under public management. It cannot for one moment be contended that these aided institutions have been charging these rates or can carry on the schools charging these rates. There is no definition at all of what is meant by standard rate. And when compensation has been prescribed to be given on the standard rates, the aided institutions found themselves incurring a very great loss. For, they had been levying fees at a rate much higher than that fixed as standard. I may go one step further and tell this House that even in Government schools—take for instance, the Presidency Training Schools which are institutions managed and paid by Governmet—the fees levied are much higher than the standard rates as defined in Madras Educational Rules. I know as a matter of fact that in the first standard of the Presidency Training Schools the fee charged is ten annas whereas the fee prescribed in the rules is only one anna. Sir, I am mentioning this only to show that the payment of compensation has absolutely no relation to the existing practice and state of things and the sooner this is done away with, the better.

" Sir, so far as the private aided institutions are concerned, some of them have certainly agitated for the levy of fees. But I may tell the House that that agitation has been mainly due to the slipshod way in which compensation was being awarded to those institutions. Sir, the difficulties which the managers of private aided institutions have to undergo in receiving compensation at the hands of the Madras Corporation are numerous although the Corporation is not solely responsible for it. Managers have to wait at the doors of the Corporation on many occasions with uncertainty in their minds. Sometimes the Corporation paid the managers only four times the standard rate and sometimes three times the standard rate. Now, Sir, the managers have been circularized by the Corporation of Madras that so far as aided institutions are concerned, they would not get any compensation from 1st January 1932. So that the private aided institutions stand to-day in this unenviable position. On the one hand on account of the existing Act they cannot levy fees and on the other, no compensation is to be paid to them from 1st January 1932. When the managers of aided institutions are in this predicament, the hon. Minister in charge of Education has come forward with this amending Bill. Sir, so far as the Government are concerned, they give the right to levy fees. But I

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think it is necessary to bear this in mind that, so far as the poor children are concerned, they will be unable to find accommodation in schools on account of the fact that the local bodies will be unable to provide for all of them. I have got statistics so far as the city of Madras is concerned. In the 134 schools maintained by the Corporation there are 31,456 boys and girls. In the city of Madras with a population of over $6\frac{1}{2}$ lakhs the number of school-going children may be roughly put at 60,000. Though the Educational Officer of the Corporation puts the figure at 53,911, making allowance for some error, I would say that at least 60,000 school-going children exist in the city of Madras. For this huge number, it stands to reason that no adequate provision can be made by the Corporation within the twinkling of an eye. Aided institutions have taken charge of most of these pupils. From the statistics we can see that aided institutions give education to at least half the aggregate number.

"Now, the position will be this: if fees are asked to be levied by aided institutions and if compensation is to be withdrawn from them, these children would perforce be driven away from the schools for the simple reason that they would not be able to pay fees. Again, the time chosen for the levy of these fees is also very inopportune. So far as free schools are concerned, most of the poor pupils would flock to them. The middle-class people, on account of the financial distress they are now undergoing, would find it difficult to pay fees for their children which the private aided institutions would demand. If, all on a sudden, in the middle of the school year—the school year begins in June—when the parents of the children would not have made provision in their family budgets for this school fee, demand is to be made for fees, even the children of the middle-classes would either flock to the Corporation schools or sit at home and waste the rest of the term thus education being cut off in the middle of the school year. This responsibility weighs very heavily on those who are in charge of aided institutions. So far as the city of Madras is concerned in areas where compulsion is now in force, it would be very difficult to make the parents pay school fees. The people could not easily be induced to change their ideas to which they have been accustomed all these six or seven years. All these are objections to the levy of fees. And, as I ventured to suggest earlier, it seems to me, Sir, that with special reference to the existing conditions in this Presidency, the only proper course would be to make education compulsory and also free. For this purpose a large provision must be made in the budget. While on this point, Sir, the work on which the Retrenchment Committee is engaged, naturally occurs to my mind. The Committee has been sitting from March. Even to this day, 30th October, the economies which we all expected have not come to pass. On the other hand, things seem to move on in a different manner altogether. In other countries which are more businesslike, the men at the helm of affairs are more responsible for public opinion."

* The hon. the PRESIDENT:—"I would advise the hon. Member to limit his remarks to the Bill before the House."

* Mr. V. M. RAMASWAMI MUDALIYAR :—" The next objections so far as private aided institutions have to urge against the system of levying fees in the city of Madras is this: that on account of the fact that education has been made compulsory and free in the city of Madras, the Corporation has started a number of schools even in areas which were being served efficiently with aided institutions. In one instance, at least, I find that four Corporation schools have been started within a radius of half a mile of an important aided institution with the result that even with the power of levying fees granted to the aided institution, the institution is bound to find itself helpless on account of the existence of these free Corporation schools in the neighbourhood. Therefore, there seems to be some cogent objection to the levy of fees so far as the city of Madras is concerned. I confess I am not aware of the situation in the mufassal or in other parts of the Presidency.

" I therefore think, Sir, that so far as the general policy underlying the Bill is concerned, the House must clearly express the opinion that compulsory education must be free. But if the city of Madras is to be faced with this alternative of levying of school fees or no compensation at all, that is to say, that they must receive no compensation and that they must not levy any school fees, aided institutions will certainly prefer the levy of fees with certain safeguards, the safeguards being this, that during the transitory period until public mentality can be changed to adapt to new circumstances brought by this Bill, a provision must be made by way of subsidy to be given either by the local authority enforcing compulsion or by Government. That is the object with which I gave notice of my amendment. When I move my amendment, I shall explain the provision that I have suggested, namely, that during the period of transition, say three years, provision should be made to make good the loss that would be sustained by aided schools by this change in the system of levy of school fees.

" With these observations, I have pleasure in supporting the proposition that this Bill be referred to a Select Committee."

* Dr. P. SUBBARAYAN :—" Mr. President, from the statement made by the hon. Gentleman on the floor of this House during the discussion of the Budget, I really thought that he was going to introduce a comprehensive measure. I find however from the Statement of Objects and Reasons of this Bill that he finds difficulty with regard to the financial implication of the Bill and has thought it necessary to drop that comprehensive measure. I would like to ask him in this connexion whether even now the Government could be compelled statutorily to find the funds necessary if the local bodies, under the Elementary Education Act as it exists to-day, chose to levy the education cess. Therefore, the Government must always think of the situation that will arise if the local bodies concerned choose to-day to levy the education cess. Therefore, I do not think it would help the Government very much. This liability is always facing them. It would be very much expensive to the Government if they really are going to compel local

bodies to levy this cess. I think the Statement of Objects and Reasons itself admits that, as far as the Government can envisage the situation, it has not been possible to compel any local body to have any scheme of compulsory education prepared. Again, as is stated in the Statement of Objects and Reasons, it is one of the objects of the new measure to take power to the Government to compel local bodies to have a scheme of compulsory education. Therefore, Sir, I do not think the idea of financial stringency ought to have prevented the Government from taking this step. Of course, the hon. the Minister may very well reiterate by saying that I had an opportunity of doing this and I did nothing all the four years during which term I was in office. But I am sure he himself admitted on the floor of this House that a certain amount of work has been done during the last four years and there was material very much ready at hand for him to take up and solve this problem. If he really has a mind to solve this question, as he professes to have, I cannot understand why he should not have persuaded his hon. Collegues of the Government to let him pilot this measure in this House. I do not think that any piecemeal legislation of the kind that is sought to be undertaken by this measure is going to solve the problem of elementary education in this province; because, I would like to mention in this connexion, as my hon. Friend Mr. Chettiyar pointed out, the only concern of this Bill is with the city of Madras. I think the speeches made by the hon. the Minister himself and by the two hon. Members sitting behind me who represent the city of Madras in this House really prove that this measure is really intended for the city of Madras. I can sympathize with the position of teacher-managers and managers of Mission schools which the hon. the Minister spoke of, but at the same time I would like to give my warning both to the managers of Mission schools and the teacher-managers. Take it for granted that this measure is passed into law. As my hon. Friend the gentleman opposite, Mr. Ramaswami Mudaliyar, pointed out, most of the children who are now attending schools managed by teacher-managers and missionary bodies freely will have begun to pay fees from 1st January 1932, because I believe it is the date which is now proposed by the Corporation as the date from which they will not pay any compensation to such schools. If that happens, I am sure the hon. Members will envisage the situation when the Corporation schools are bound to be crowded. If that is so, then the Corporation will have to find more funds for starting more free schools, because the accommodation is available only for 30,000 pupils in the 134 schools of the Corporation which exist to-day. According to the calculation made by the Educational Officer of the Corporation places must be found for another 23,000 pupils, because that is the figure that has been given of pupils who are of school-going age. Therefore, the Corporation, inspite of having passed their resolution, that they will not be in a position to pay compensation to the teacher-managers, will find themselves in the position of having to spend this money which they are now refusing to give, because, having once introduced the principle of compulsion, they will have to find places for all the school-going population, if they are going to be

4-15 p.m.

compelled to stick to the principle of compulsion. Of course it is a well-understood principle, at least as far as I am concerned, I can speak with a certain amount of confidence, that the schools managed by the Corporation are more expensive than aided schools which are conducted to-day. If that is the case, the Corporation will have to find double the money of what they are now spending by way of compensation. They will have to find the sum to run the schools which are necessary to accommodate all the children who have been compelled to go to schools.

"I do not think the mere passing of this measure is going to solve the problem which has to be faced both by the Government and the local bodies concerned. I am glad at least the hon. the Minister has thought it fit to let this Bill go before the Select Committee. When this Bill is sent to the Select Committee, they might decide to drop it; even if they do not drop it, the Council might drop it. I presume that power is vested in the hands of this House to drop this measure if they find that the method adopted is not one that is going to solve the problem which has confronted both the Government and the local bodies concerned. The hon. the Minister has throughout mentioned that, in places where education is made compulsory, it should also be made free. I do not think we are far wrong when I say that we have not attained that stage yet. In England the rich parent is prepared to spend heavily for the education of his boys. But we have attained a different stage in this country. Even though we may spend large sums of money on festivals and other things, the parent in this country thinks twice before he sends his children to costly schools, because the fees charged are more. If that is the state of affairs in this country, I do not think we can compare ourselves with countries like England where the mentality of the people is different with regard to education of their boys. Therefore, I reiterate Mr. Chettiyar's proposition, that if really compulsion is going to be enforced and we are going to bring all school-going children into schools, it ought to be made not only compulsory but also free.

"With these few words, I do not mean to oppose the Bill going to the Select Committee."

* Mr. T. S. Ramaswami Ayyar:—"I am one of those who appreciate the difficulties which have confronted the hon. the Minister for Education. However, I would submit that this Bill should be considered merely as a stop-gap arrangement. If we are going to have compulsory elementary education in this Presidency, it is the duty of the Government to make it free. The hon. the Leader of the Opposition told us that in England the parents do not mind spending large sums of money for the education of their children, whereas in India the parents do not care to send their children to costly schools, but that they are prepared to spend large sums of money on fairs and festivals. I do not agree with him in that statement. India is a poor country and really there is no comparison between England and India. I am of opinion that elementary education should be made the first charge on the provincial revenues and any scheme that is brought forward

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to popularize elementary education should recognize the principle that Government should find money for elementary education. There is no good of looking to the local bodies for finding money, for the local bodies will in their turn look to the Government for funds. This system of asking local bodies to introduce compulsory elementary education in their areas that Government contributing a moiety of the amount that the local bodies will have to find on condition that the local bodies should restrict their expenditure to certain liabilities is an unworkable scheme. If Government is serious, about introducing compulsory elementary education in this Presidency, they should make it free. It is only the other day that the Government undertook to collect taxes in regard to motor transport to give subsidies to local bodies for maintaining roads. Cannot a similar procedure be adopted with regard to elementary education? I do not like the Government adopting a stop-gap arrangement with regard to elementary education. His Excellency the Governor pointed out at the opening of his speech at the last session of the Council that elementary education should be popularized if the country should progress. His Excellency sympathized with the need for the Government taking up this question, but this Bill makes one feel that we are really trying to go backward. If once the question of levying fees comes in, I am afraid, though it is stop-gap arrangement it may become permanent. The managers of aided institutions in their anxiety to get some money have reconciled themselves to the collection of fees. If Government is anxious that elementary education should be made popular, this is not the right method. Government should make it a provincial question and make contributions from their provincial revenues to local bodies and ask them to run their schools. The local bodies should be relieved of the obligation to run elementary schools. The Government may ask the District Educational Councils to be in charge of elementary education and the Government may send their contributions to the District Educational Councils who in their turn may be asked to give subsidies to aided schools or run elementary schools. The whole difficulty has come in because the local bodies have been made to take up the responsibility. It is owing to this difficulty that the spread of elementary education in this Presidency has been impeded. Of course, as I said, the hon. the Minister for Education feels that something should be done to relieve the situation and that this could be done by allowing the Bill to go to the Select Committee. There is a feeling both in the Government and the Opposition Benches that as a temporary measure at least we could try levying fees. I am afraid that that is not the right method. It may be expedient just for the present, but the question is whether it is going to solve the problem permanently. I therefore suggest to the hon. the Minister for Education to think twice before he makes a permanent change in the Statute Book. He must think that it is only a temporary measure just. We may perhaps adopt it as a measure of retrenchment but as a change in policy. I therefore commend to him that he should consider this Bill only as a measure of expediency and not as one intended to change the policy of Government."

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4-30 p.m. * Rao Bahadur C. NATESA MUDALIYAR:—" Sir, I am not in a mood to take part in this debate. As all my Colleagues in the Corporation of Madras have taken part, I think, it is my duty to say a few words. Sir, I quite realize the intention of the hon. the Minister for having brought forward this emergency measure. If this Bill is allowed to become an Act without sufficient safeguards, it will defeat the object with which he has brought it forward. I am glad the hon. the Leader of the Opposition consented to allow it to go to the Select Committee, its report being returnable to the Council on the 3rd November. The Corporation has decided not to give any compensation from the 1st January and many of the teacher-managers will be almost helpless, after that date. Sir, my Friend Mr. Ramaswami Mudaliyar was telling that there are 60,000 school-going children in the city of Madras. That is a superficial estimate. That is an estimate got from the children that are attending the various schools to-day, both Corporation and aided. I know that a number of children are working as domestic servants, in various bazaars and elsewhere. So it will be 5,000 or more who are not being sent to schools. Of these 60,000, 30,000 are educated by the Corporation at a cost of about 8 lakhs of rupees and the rest 30,000 are being educated by aided schools. Of course, aided schools are nothing but agencies to assist the Corporation in the scheme of compulsory education.

" If these aided schools are refused assistance what will happen ? As one hon. Member remarked, people who have not been accustomed to pay fees for the last seven years will not easily adjust themselves to paying fees now, and they will all flock to the Corporation schools. The Corporation having made education free and compulsory ought to give education to these people. It will cost them Rs. 8,00,000 where they are only spending Rs. 1,00,000. I estimate that the total cost of educating all the 70,000 children of school-going age will be about 16 to 18 lakhs of rupees—an amount which the Corporation cannot think of spending in the present bad state of its finances. If Government really want that education should be free and compulsory, they should, as my friend Mr. Ramaswami Ayyar remarked, make education the first charge on their income. Government should advise the Corporation, as my friend Mr. Sami Venkatachalam Chetti remarked—although he is himself a member of the Corporation Standing Finance Committee he has allowed such things there—not to go in for costly palatial buildings for these elementary schools. They should be asked to curtail their expenditure on such buildings. They spend about Rs. 6,00,000 on their own schools and I may say that if that amount was distributed to aided schools you could educate nearly six times the number of children now educated in the Corporation schools. It is high time that the Corporation and the Government recognized pial schools and even schools under the banyan tree. Were not many of the greatest philosophers of India who shook the whole world educated in their early days under the banyan tree ? Is it not better that we go back a little in this matter to our ancient institution if our object is to spread education among all classes of people—the poor as well as the rich ? The Corporation should

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not spend so much on palatial school buildings and highly paid teachers and headmasters. If the Minister or the party in power arranges to pass this Bill as it is without any amendment, it will be disastrous to the cause of elementary education in the city. Also, if as the hon. the Leader of the Opposition remarked, the Bill was dropped, even then it would be disastrous to elementary education in the city. It is the duty of the Government to devise a remedy to meet the situation in order that the metropolis of the Presidency may be an example to the whole Presidency in the matter of free and compulsory education. I suggest that Government should come to the rescue of aided schools and pay them full fee compensation and not the disgraceful standard rate prevailing at present. If it costs Rs. 400 to run a school, it can get a compensation of only Rs. 40 according to standard rate. The standard rate is one anna per boy and half an anna per girl. Which school can be managed efficiently with this small compensation? Again why should there be a lower rate for girls than for boys? Do they think that women teachers are more easily available than men teachers? As my Friend Mr. Sami Venkatachalam Chetti said, it is high time that the rules are also revised in addition to amending the Act. Government which has consented to make the area free and compulsory must certainly come to the aid of the Corporation. They should not stand in the way of our utilizing the amount from the education fund. In this connexion I should say that I did not expect Mr. Ratnasabapathi Mudaliyar who is a local body gentleman to take up that attitude. We know how much we suffer in the Corporation of Madras. The Government are afraid that if we spent from the education fund they would also have to pay an equal amount. They feel nervous about that contingency. They are now making retrenchments in various directions and I do not see why they cannot find Rs. 2,00,000 for this purpose. There are some schools like certain Mission schools which want to levy fees. Let them be given the option of levying fees. In such cases if they do not get as much as they would get by levying full fees or as much as the compensation that was being paid to them, let the Government or the Corporation come to their rescue. There is a statutory amount—about Rs. 24,600—set apart for distribution according to the standard rates. I think this amount will be sufficient to meet the difference I have referred to above. Perhaps the Corporation may say that they have spent all this amount already. So we have to find the money necessary for running the schools from January to March and if the hon. Minister can spare Rs. 6,000 to maintain these schools all these things will adjust themselves. I request the Select Committee to amend the Bill in such a way that when it is presented to the Council it will be in a form acceptable to them and in no way disastrous to the cause of free elementary education in the city of Madras."

* Rao Sahib V. I. MUNISWAMI PILLAI:—"I am here to support any measure whose object is the free and compulsory education of the masses, especially the depressed classes. There are two provisions in

this Bill to which I want to refer. The first is that by making a provision for the levy of fees you will be hitting hard the depressed classes who are too poor to pay school fees for their children. In many places the depressed classes have felt the introduction of compulsion a hardship, because on account of their poverty they have to send their children to school often without meals, owing to the pressure of attendance committees. If this Bill was passed into law and fees were levied, I am sure a large percentage of depressed class pupils will have to go without education, especially as there is provision in the Bill for admitting only a certain limited number of poor students. In many places it is a matter of great difficulty to get certificates of poverty. At a time like this when the depressed classes have just come to realize the value of elementary education, unless the Select Committee carefully considers these difficulties and makes provision to meet them, I am afraid that what little concessions have been shown to the depressed classes will go in vain. The hon. Minister also said that he had fixed one mile as the distance limit for the starting of new schools. Circumstances differ in various places and an arbitrary distance such as a mile will be a hardship in some cases. I request the hon. Minister and the Select Committee to take into consideration all these circumstances in fixing the distance limit.''

* The hon. Diwan Bahadur S. KUMARASWAMI REDDIYAR:—"Mr. President, I no doubt did compliment my hon. Friend, Dr. Subbarayan, on the fact that he had put into legislative form some excellent provisions intended for the expansion of elementary education. The important section which the present Bill contains is word for word what is found in that excellent Bill of his. And I am therefore very much surprised that he should have taken exception to that provision on the question of its principle itself. I certainly understand his criticising my not having brought the more comprehensive Bill which it was his ambition to introduce during the time of his Ministry, which unfortunately he was not able to realize. Well, it was my ambition also to introduce it and I have explained as clearly as I can the reasons for my not doing so. My hon. Friend, Dr. Subbarayan, said that even now if a local authority chose to introduce the education cess it is obligatory on Government to provide an amount equivalent to the proceeds of that taxation. I am no doubt aware of that. But does my hon. Friend mean to say that there is no difference between a local authority voluntarily taxing itself and Government statutorily imposing on the local authority the obligation of levying the tax whether it is willing to do so or not ? And my hon. Friend's Bill which, as I said, he was intending to introduce, had also enhanced the rates of education cess provided for in the existing Act. Although I join with him in the lamentation that I was not able to introduce the original Bill which had been framed by my hon. Friend, I cannot certainly follow him when he took exception to this provision in the present Bill, which, as I said, is taken word for word from his Bill itself. It was not

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intended by him as temporary measure as some of his followers want this measure to be; it was measure which he intended to hand down to posterity permanently on the statute book of this Province. 1-45 p.m.

" Mr. President, I do not feel called upon at this stage to answer all the criticisms that have been advanced, because I observe there is a general concensus of opinion that the Bill should go before a Select Committee. But I may perhaps be permitted to remove one misapprehension with regard to what prevails in other countries and other provinces of this country. My hon. Friend said that wherever compulsion had been introduced education was also made free."

Mr. Sami Venkatachalam Chetti :—" In England it is the case."

* The hon. Diwan Bahadur S. Kumaraswami Reddiyar :—" It is not the case in England. My hon. Friend, Dr. Subbarayan, knows that it is not the case and has said so just now."

Mr. Sami Venkatachalam Chetti :—" I have got the testimony of Mr. Winter to the effect that it is so."

* The hon. Diwan Bahadur S. Kumaraswami Reddiyar :—" Well Sir, then it is a case of one oath against another. I cannot myself speak with first hand knowledge of the state of things in England. But in several other provinces of our country where statutory provision has been made for compulsion, education is free only in public schools. Private schools are at liberty to levy fees. And that is exactly the provision which we are seeking to introduce in the present Bill.

" Sir, I am not going into a detailed examination of the various criticisms that have been made on the Bill. I am glad to note there is a general agreement on the question that it should be referred to a Select Committee. I am also glad to see that the House is in favour of having the Select Committee's report presented before 3rd November."

* The hon. the President :—" The question is that Bill No. 24 of 1931 be referred to a Select Committee consisting of the Members proposed and that the Committee be asked to present their report before 3rd November 1931."

The motion was carried.

XIII.—RESOLUTION UNDER THE COTTON TRANSPORT ACT.

* The hon'ble Mr. P. T. Rajan :—" Sir, I beg to move the following resolution :—

'*This Council recommends to the Government that the following notification laid in draft before the Council under section* 8 *of the Cotton Transport Act,* 1923 (*III of* 1923) (*XXXIV of* 1925), *be approved and issued by the Local Government in the form in which it has been so laid:—*

Notification.

In exercise of the powers conferred by sub-section (2) *of section* 3 *of the Cotton Transport Act,* 1923 (*III of* 1923), *the Governor acting with Ministers is hereby pleased to issue the following*